

# Growing with you.

2017 annual report



**The best  
technology  
supported with  
trusted  
customer  
service.**

## Contents.

Access our story	5
A message from our Chair	6
Access your Board	8
A message from our CEO	11
Access the best technology	12
Access the best service	14
Access your community	17
Access in your words	19
Access cares	23
Access our financial strength	24
Access tomorrow	31

We invest  
100% of our  
earnings right  
back into the  
communities  
we serve.

# Access our story.

## When Saskatchewan people come together, there's nothing we can't do!

Charities can be nourished. Communities can be built. The impossible becomes possible. Together, we make this province work.

Access Communications is one of Saskatchewan's largest telecommunications companies, but we do so much more than provide reliable, affordable Internet, television, telephone and security monitoring. We provide a point of access between the people of Saskatchewan and the world around us. A sense of community and endless opportunity!

As a not-for-profit co-operative, we invest 100% of our earnings right back into the more than 230 communities and rural areas where we live and do business.

We're not just working to grow our business — we're working to grow Saskatchewan. For us, that means investing in our communities, putting millions of dollars into local economies, creating careers, sponsoring community initiatives, helping local food banks and supporting children at risk and in need. Our community channels, Access7, is a platform for individuals, groups and neighbours all across Saskatchewan to share their stories. Our stories. Together with the people of Saskatchewan, we can do anything!

## Our Mission

We are a community-owned co-operative dedicated to providing exceptional communications and entertainment services and unique opportunities for local expression.

## Our Vision

Delivering unrivalled communications and entertainment services.

## Our Values

**Integrity:** We live by our belief in honesty, respect and trust in everything we do.

**Innovation:** We create and embrace change that enhances customer service, the community and our organization.

**Employee-centered:** We enable everyone's involvement, growth and contribution in a challenging, safe and fun environment.

**Customer-focused:** We deliver extraordinary value, reliably, dependably and consistently.

**Community-Oriented:** We are an integral part of the communities we serve, contributing to their energy and progress.

*Awards are nice, but our greatest reward will always be you, our customers, employees, volunteers and communities!*



# A message from our Chair.

**As Chair of Access Communications Co-operative, I feel that nothing reflects our purpose more than the phrase “growing with you.” The spirit of collaboration among our members, employees, volunteers and our board makes Access a community of its own, well-suited to working with and giving back to the communities we serve.**

Our community-owned, not-for-profit co-operative business model allows us to deliver leading-edge telecommunications products and services in a unique and ethical way. At Access Communications, “better together” means better for every contributor.

Our members, both individuals and organizations, are more engaged than ever. Their commitment to supporting our business by getting involved and electing a board of directors that truly cares about Saskatchewan is critical to our ongoing success.

Fiscal 2017 was a year of exceptional growth. Access Communications gained over 200 new members by assuming the

operations of Eston Cable TV Co-op. We also expanded this year through the acquisitions of the Southey and Rouleau cable systems. Preserving local community ownership is top of mind. All of our earnings are re-invested in our province by improving services, ensuring the latest technology, the lowest possible prices and broadening true local community TV programming.

My sincerest thanks go out to Access staff, who work diligently 24/7 to provide best-in-class customer service and unique local programming in Saskatchewan communities. We wouldn't be where we are today without the talent and contributions of our volunteers and community producers who provide the informative and colourful local programming that keeps viewers tuned in to Access7 community channels in over 90 communities. I'd also like to thank our management team. Your vision and leadership make our Co-operative what it is. This is reflected in again being named one of Saskatchewan's Top Employers and one of North America's Most Engaged Workplaces.

Our Board of Directors continues to demonstrate its commitment to integrity and innovation. This past year, Access directors participated in a number of development programs that ensure

we're providing governance using best practices as well as information sessions that help the Board in guiding our Co-operative through the rapid changes in technology and the Canadian telecommunications industry.

Telling our story is key. As we play an important role in growing our province, the Board has prioritized its advocacy efforts to ensure that the Access Communications 'voice' is heard. I am proud that our commitment to being a community investment role model was rewarded with this year's official designation as a “Caring Company” by Imagine Canada.

Lastly, I'd like to thank departing Board members Ken Shaw and David MacLeod for their investment in our co-operative over the years. Your commitment to our collective success has been significant, and we are grateful for your effort and your passion. Be assured that our board will carry on your dedication in the years to come.

Yours in co-operation,



Dale Ripplinger  
Chair of the Access  
Board of Directors



# Access your Board.

**At Access, our reason for being is you: the communities of Saskatchewan. So you can probably guess where our board members come from!**

Access Communications is a community-owned not-for-profit co-operative. Every penny we earn goes right back into the communities we serve and call home — your communities! Our members from all over Saskatchewan elect dedicated directors to guide Access into the future.

**This is your board and we are your co-operative!**

## 2017 Board

Alan Bachynski  
David Dekker  
Dick DeRyk  
Patrick Kelly  
David Macleod  
Bernadette McIntyre  
Hiedi Pearson  
Doreen Polischuk  
Dale Ripplinger  
Ken Shaw  
Twila Walkeden  
Brenda Watson

## Executive Committee

Dale Ripplinger (Chair)  
Dick DeRyk (Vice Chair)  
Brenda Watson (Secretary)  
Hiedi Pearson  
Ken Shaw

## Member Relations

Hiedi Pearson (Chair)  
David Dekker  
Bernadette McIntyre  
Twila Walkeden

## Governance

Alan Bachynski (Chair)  
Patrick Kelly  
David Macleod  
Bernadette McIntyre  
Doreen Polischuk

## Advocacy

Dick DeRyk (Chair)  
Alan Bachynski  
Patrick Kelly  
Ken Shaw  
Twila Walkeden

## Audit

Brenda Watson (Chair)  
Alan Bachynski  
Dick DeRyk  
David Macleod  
Bernadette McIntyre  
Doreen Polischuk

## Human Resources

David MacLeod (Chair)  
David Dekker  
Hiedi Pearson  
Ken Shaw

## Representative to Children's Fund

Bernadette McIntyre



**Left to Right:** Brenda Watson, Patrick Kelly, Doreen Polischuk, David MacLeod, Twila Walkeden, David Dekker, Dale Ripplinger, Ken Shaw, Hiedi Pearson, Dick DeRyk, Bernadette McIntyre, Alan Bachynski



# A message from our CEO.

From an operations perspective, “growing with you” speaks to everything we do at Access Communications. From growing our service areas and offering leading-edge services to producing thousands of hours of local, unique community television and investing in our province. All of it which makes Access Communications a significant contributor to Saskatchewan’s growth.

Our commitment to the unique and vibrant communities across Saskatchewan has allowed us to continue to grow throughout the province. Along with our community expansions, in 2017 Access Communications began a major upgrade of our distribution systems across Saskatchewan. These upgrades include increased capacity to offer exciting new technology such as more high-definition channels, faster broadband Internet and affordable telephone service. To date we have upgraded our signal delivery in over 70 communities, with further communities to be completed in fiscal 2018 and 2019.

The telecommunications industry is changing quickly and our Co-operative understands this. We are driven to ensure that our customers and our communities can embrace and accelerate change in this always-on, always-connected environment, whether by growing a small business or staying in touch with friends and family.

We have taken the important steps to make our broadband and Wi-Fi products even stronger. This includes improving the availability of the best possible speeds at the best possible prices right across our province. In 2017, we launched faster broadband Internet service to 34 more rural communities and now have more than 130 tower access points across Saskatchewan within our rural Wireless Internet division.

Our investment in new and upgraded infrastructure has been substantial, with a price tag of more than \$27 million in 2017 as part of a five-year \$120 million investment plan. Access Communications’ investment in Saskatchewan, and our commitment to our customers, is sincere and ongoing.

**Through our unique business model and our commitment to core values, we will continue to offer the best products and services reliably and affordably. We will always remind ourselves that we would be nowhere without you, our customers.**

Our community channels continue to be a very effective and powerful broadcast medium. In the past year alone Access7 helped to raise over \$700,000 in support of charitable organizations including the United Way, Regina Humane Society and Ignite Adult Learning Corporation.

The Access team is a dynamic group I’m honoured to lead. Our staff and volunteers across the province make significant contributions every day to our co-operative and our communities. We will continue to provide our staff with a respectful environment that allows them room for personal and professional growth, expression and success.

We value your feedback and will always listen. Together, by staying true to ourselves and key co-operative principles, we will continue to grow and serve our great province. We look forward to celebrating our 40 years of excellence in 2018 with your support well into the future!

Sincerely,

Jim Deane  
President & CEO

# Access the best technology.

Access Communications has been growing with Saskatchewan for 40 years and today we're proud to employ nearly 300 Saskatchewan people, with offices in Regina, Estevan, North Battleford, Weyburn, Yorkton, La Ronge, Humboldt, Melfort and Saskatoon. Keeping pace with the rapid development of exciting new technologies, we offer Internet, Television, Phone and Security Monitoring for your home and business.

**Customers are our #1 priority, and we're devoted to making sure you have access to the newest products and services and the absolute best in customer care.**

## AccessInternet

Access**Internet** boasts speeds of up to 120 Mbps, so whether you're looking for Internet for your business, home office or family, we've got your web! We've been expanding our Access**HyperSpeed** services so more customers across Saskatchewan can watch, play, work and shop with lightning fast speed. Access**Fibre** is taking businesses of all sizes to the next level of performance with dedicated Internet connections and high-speed bandwidth options.

Our Access**WirelessInternet** is a valued extension of our network with more than 130 access points in rural Saskatchewan and more to be added in 2018.

## AccessTV

Made for the TV lover, Access**TV** is available in 230 communities across Saskatchewan. Depending on the community, we offer customizable packages and add-ons, including HD services and premium sports packages. As the TV viewing experience rapidly evolves, Access**TV ToGo** is making it easier for our customers to watch anywhere, anytime. And to enhance our commitment to choice and value, we've introduced pick-and-pay channels and Access**Micro**, our basic television service.

## AccessPhone

Access**Phone** is our secure and reliable residential phone service made for the digital world with new features like call and voicemail forwarding to mobile phones. On the business side, Access**Business Hosted Voice** allows businesses to customize their phone lines, make instant changes and work remotely with minimal upfront costs. With this service, we deliver secure voice services over our reliable network. Plus, our team of dedicated relationship managers ensure our customers receive white-glove customer service.

## AccessSecureHome

With Access**SecureHome**, your family or business is always safe and sound. We're committed to your safety and peace of mind 24/7, offering alarm options for burglary, fire, carbon monoxide, low temperature, rising water and more. We're also investing in a new smart home service that will give customers an interactive platform for home monitoring and security. Access**SmartHome** includes automation, energy monitoring, remote monitoring and more.



# Access **the** **best** service.

We could have all the technological know-how in the world (and we do!) and we could be the hardest working crew on any job (and we are!) but we still couldn't get anywhere without our customers. The input we get from you, our staff, our members and our volunteers is what keeps Access ahead in such a competitive marketplace.

So, thank you! One of our core values is giving our customers the absolute best: the best technology, the best service, the best price. And every time we hear from you, you help us do that even better!

**Extraordinary value, delivered reliably, dependably and consistently. That's our promise to you.**

As we head into a future full of exciting advances, we're out to keep prices low and happiness high! As part of that commitment, Access is investing in a major upgrade of our infrastructure across rural Saskatchewan. Get ready for High Definition and Digital TV, Broadband Internet and the roll-out of Access**Phone Basic** service! Launches are scheduled for customers in 15 rural communities in the early months of 2018 — and we're just as excited as you are!

Providing Saskatchewan people with the very best technology means investing in the very best infrastructure. In 2017, we devoted \$27 million to new and upgraded infrastructure, part of our five-year \$120 million investment plan. Perhaps just as important, we've invested in our technicians, making sure that as our infrastructure grows, so does their skill and understanding.

We think the best customers deserve the best technology — and the best service, too.

## Our friendly, knowledgeable technicians are our **(carefully covered)** boots on the ground.

In 2017 our technicians upgraded equipment in more than **100,000 homes and businesses**, providing leading-edge technology, while keeping customers smiling and carpets clean!





# There's no place like home.

## A few Access7 local programming highlights from 2017:

- The very first broadcast from the new Mosaic Stadium (University of Regina Rams vs University of Saskatchewan Huskies football).
- Coverage of Waskimo – the last time this festival of ice happened in Regina was 2003!
- Provincial broadcast of the Saskatchewan Country Music Awards.
- Rebuilding the Regina production control room to produce all HD content. Investing in equipment such as launching new Tricaster production gear in all regions.
- Access Communications' Saskatchewaner 2016 took home the national award for Best Community Television Production at the Yorkton Film Festival 2017.

# Access your community.

Part of what makes Access Communications unlike most licensed distributors is our enthusiastic support for community programming. It's important to us that we provide not just a service, but a medium for Saskatchewan communities to share their voices. With our talented team and our co-operative roots, we're truly a piece of the Saskatchewan puzzle, and nothing means more to us than lifting up the people who live in the communities we're honoured to serve.

**Our unique Access7 programming connects families, friends and neighbours, providing many communities we serve with a platform to share their way of life, their successes and their challenges, their dreams and their stories.**

Keeping Access Communications the community-minded company we are takes the efforts of our staff, our members and our volunteers. Access7 owes its more than 2,500 hours of local first-run programming to the brilliant efforts of 235 volunteers and staff members who donated more than 600 hours each month. Thanks to them, more than 90 communities across Saskatchewan get the local programming they deserve to share the stories they need to tell.

As a co-operative, Access Communications has a special connection with our volunteers. We are humbled by their enthusiasm and their commitment to the people of Saskatchewan, and we consider it an honour to work with them to give back to the communities we all hold so dear. In an effort to celebrate our volunteers and let them know how much they mean to us, Access hosted appreciation events in our major centres across the province during National Volunteer Week in April.

One of our favourite Access7 offerings is the Community Producer Program. This program provides individual volunteers and community groups the opportunity to produce their own high-quality, engaging TV shows that will deliver their message to audiences across the province. Today, more than 55% of Access7 programming is produced by local volunteer Community Producers. The unique and vibrant content produced by community members helps Access7 expand, allowing us to attract new viewers, new volunteers, and plenty of compliments on our exciting programs!

At Access Communications, we will never stop investing in programming that reflects the growing diversity of our province. In 2017, we premiered the fourth season of our one-of-a-kind Indigenous Lifestyle show *The Four*, aired the First Nations University of

Canada Pow Wow and broadcast the Queen City Pride Parade, in addition to many other series and events.

We're truly honored to be able to support the fundraising efforts of local organizations by airing productions like the Regina Rotary Carol Festival, the Regina Humane Society Telethon, the United Way Telethons in Estevan and Weyburn, and the Ignite Adult Learning Corporation TV auction. It's also a real joy for us to air local sporting events. We're proud to have brought the WHL to Western Canadian hockey fans for over 25 years – this year we drew a record number of viewers to watch the Regina Pats' thrilling finish in the 2017 WHL Playoffs!

The kind of truly local programming we're proud to offer would simply not be possible without the creativity and effort of hundreds of volunteers who pour thousands of hours into producing unforgettable content! It's truly a privilege to work with folks from all four corners of this province to create programming that genuinely reflects the people and places of Saskatchewan. The more Access7 expands its programs and its community involvement, the further we can reach, until every last person in Saskatchewan has the opportunity to add their voice to our collective song.



Proudly serving  
230 communities  
and rural areas  
across Saskatchewan.



- City with Access Services
- Town with Access Services
- AccessWirelessInternet Area

# Access in your words.

“We can’t do what we do on our own. It is always a collective effort with the community, and I think our relationship with Access reflects that completely. It’s a company that cares. They’re always there to help us out.”

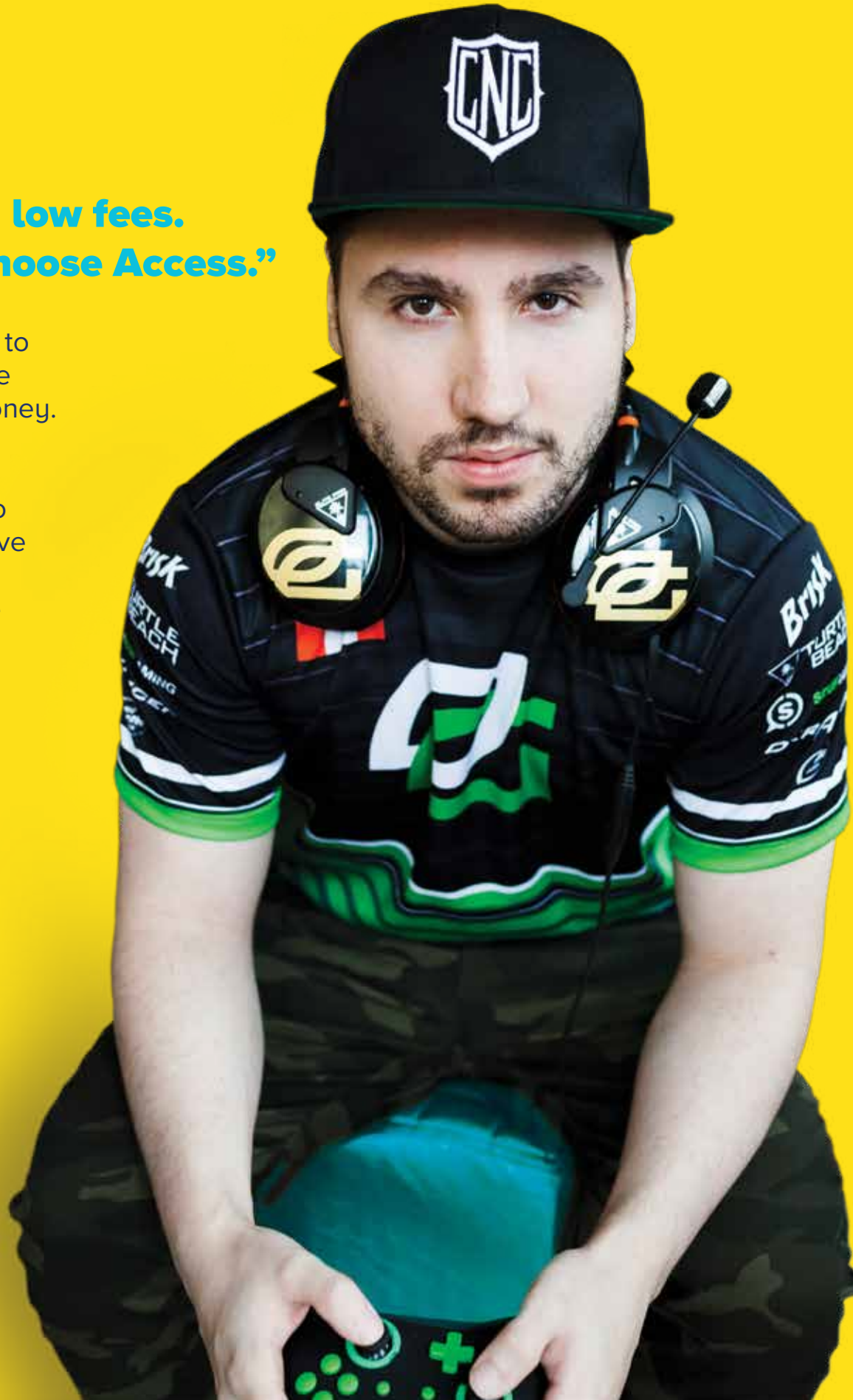
Steve Compton, CEO  
Regina Food Bank



**“High speeds — low fees.  
That’s why I choose Access.”**

Mathew Fiorante lives to compete online, for the pride and the prize money. He’s a professional gamer who relies on Access**HyperSpeed** to give him the competitive edge. Fast Internet is a necessity to achieve the victories Mathew continues to rack up.

Mathew Fiorante,  
2x Halo World Champion  
& Proud Access Customer



**“Access has been  
the reliable choice  
for us. It’s nice to  
get a direct, quick  
answer to something,  
without having  
to jump through  
hoops. It’s like you’re  
phoning your friend.”**

Ken MacMurchy,  
Brewed Awakening





# Access cares.

**One of the most important things about Access Communications is that we're a co-operative. We aren't just serving Saskatchewan — we're a part of it in a way that other companies just can't be.**

We're really proud of that. It's why we make every effort to invest in making life better for the people in our communities — our friends and neighbours! Through corporate sponsorships, the volunteer efforts of our employees, the sharing of our expertise and in-kind donations including the facilities and services of our community channel Access7, we're doing everything we can to strengthen this province we love to call home. To that end, we're thrilled to support more than 1,600 charities and non-profit organizations every year!

We know that if we really want to help Saskatchewan flourish, we need to be looking out for the little guy. That's what our Access Communications Children's Fund is all about. Every year the Children's Fund receives many applications from organizations devoted to supporting Saskatchewan children who are at risk and in need, and we feel honoured to help them as they create better futures for our province's littlest dreamers and doers. The Children's Fund is fueled by our hugely successful weekly TV Bingo on Access7, which airs in 90 communities across the province. Since launching TV Bingo in 2006, more than \$1.7 million has been granted through the Fund to worthy programs.

Supporting Saskatchewan's young people doesn't end with the Children's Fund. We're also proud of the Access Communications Scholarship Program, which grants scholarships of \$1,000 to 20 Saskatchewan high school graduates each and every year. Not only do recipients have strong marks, they show a genuine passion for building their communities. Since launching the program, we've awarded more than \$275,000. Every year, we also award the Access Communications Fred Wagman Entrance Scholarship in Film & Video to aspiring filmmakers at the University of Regina. We see every scholarship as an investment in the future of Saskatchewan. Mark our words: These are leaders to watch!

Doing good in the lives of Saskatchewan's people, especially those struggling, is a year-round job our staff and volunteers are always eager to be a part of.

## Some of the projects that have a special place in our hearts:

- Hosting an annual Christmas Luncheon benefiting the Salvation Army. What started as a small event by a group of dedicated employees 25 years ago has grown into a several hundred person event. The annual fundraising luncheon has helped raise over \$100,000 to support local families in need.
- The annual Access Communications Labour Day Show N Shine. This event has run for 11 years, and this year through the work of sponsors, partners and volunteers we raised a record smashing 2,000 pounds of food and \$30,185 for the Regina Food Bank!
- Manning the phones and picking up truckloads of food donations from all over Regina during the Regina Food Bank's Food Drive. Access volunteers have participated in this nourishing event for 10 years now, and we'll continue feeding the community for many years to come.
- Keeping trick-or-treaters safe in eight communities across Saskatchewan with our Halloween Pumpkin Patrol. 2017 marked the 14th anniversary of our volunteers watching out for little ghouls and boys!

# Access our financial strength.

Despite a challenging economic environment and a highly competitive marketplace, Access Communications continued to be a strong financial performer in fiscal 2017, strengthening our technical delivery and customer focus.

For fiscal 2017, we generated a net income of \$2.6 million, operating cash flows were \$19.5 million and net assets grew by 5.0% to \$55.6 million.

Our business is changing, Canadians are getting their TV content from a variety of sources and as a result television services revenue declined by 6.1% or \$3.2 million to \$49.3 million, indicating that shift in TV viewing habits. This was mostly offset by an increase in telecommunications revenues from the prior year of 9.6% or \$3 million to \$34.1 million as we had a substantial increase in the number of Internet subscribers, reflecting growing customer demand for higher Internet speeds and rural wireless Internet.

Direct distribution costs fell 1.3% or \$0.4 million to \$29.3 million, primarily a result of a decrease in television network fees as television subscribers are lower than the prior year and were offset by increased bandwidth usage for our Internet service. As a result, our net revenues after distribution costs were \$54.4 million, an increase of \$0.1 million or 0.2%.

In 2017, our operating expenses rose by 2.5% or \$0.8 million to

\$32.7 million, primarily due to higher technical costs of \$1.3 million offset by lower sales and marketing efforts of \$0.5 million.

As part of our commitment to enhance and expand community programming, we invested more than \$2.7 million in Access7, exceeding the CRTC's license minimum requirement. We're proud to report we support a local channel in more than 90 communities across Saskatchewan!

Our operating income, before amortization, was \$21.7 million, a 3.1% decrease from the previous year. From prior year, amortization expenses increased 6.1% to \$17.2 million due to increased capital spending and interest costs increased to \$1.8 million up 4.0% due to higher debt carry and interest rates throughout the year.

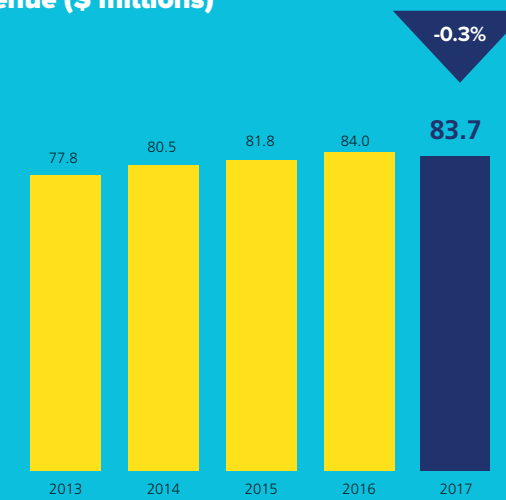
Net capital spending in 2017 exceeded \$27.3 million, a result of our strategy to increase the performance and capacity of our distribution network, positioning our Co-operative to expand services in the current and future years. Due to the change in satellite delivery of the network signal from Mpeg2 to Mpeg4, we upgraded our signal delivery and digital boxes in over 70 communities and launched expanded channel lineups in 30 communities, with more to come in 2018 and 2019. We also upgraded Internet backhaul and equipment in 34 communities and increased Internet speed.

Subsequent to year-end, our credit facility was amended and restated. The revised committed credit facility amount is \$70 million and is comprised of a \$69 million revolving operating facility by way of Bankers Acceptances or Prime Rate Loans and a \$1 million operating line of credit by way of Prime Rate Loans or Letters of Credit. There is no longer a non-revolving term facility and a requirement for debt repayments. The maturity date of the credit facility agreement has been extended to September 5, 2020. Due to the higher capital spend in the fiscal 2017, long-term debt increased by \$7.2 million to \$59.0 million at August 31, 2017. For hedging purposes, the interest rate on \$25 million of our long-term debt has been set through a fixed rate interest rate swap bearing interest at 0.85%, which will mature on January 29, 2019.

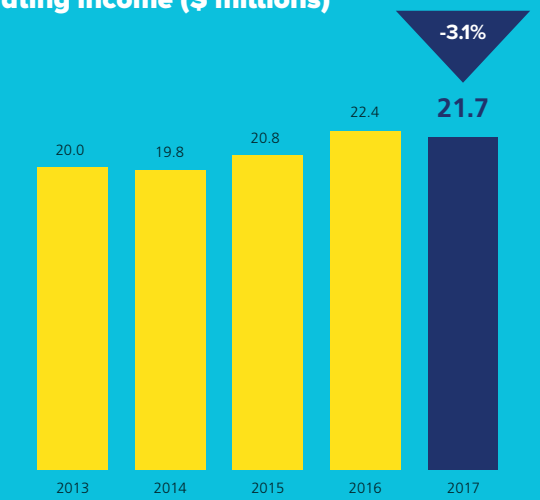
As a not-for-profit, community-owned co-operative, we do not pay dividends to our members. 100% our earnings are reinvested in the co-operative and community initiatives, including community programming. We are confident that our Co-operative business model continues to thrive in today's fast-paced competitive environment, as we invest in our customers, our employees and the communities we serve.

## Performance analysis

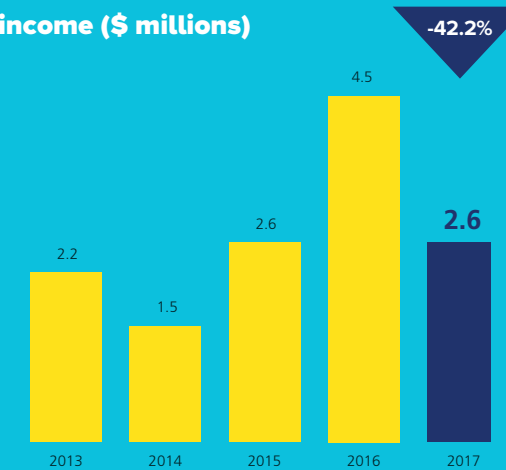
Revenue (\$ millions)



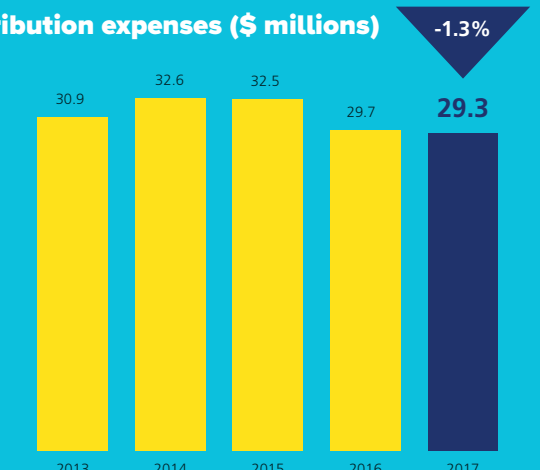
Operating income (\$ millions)



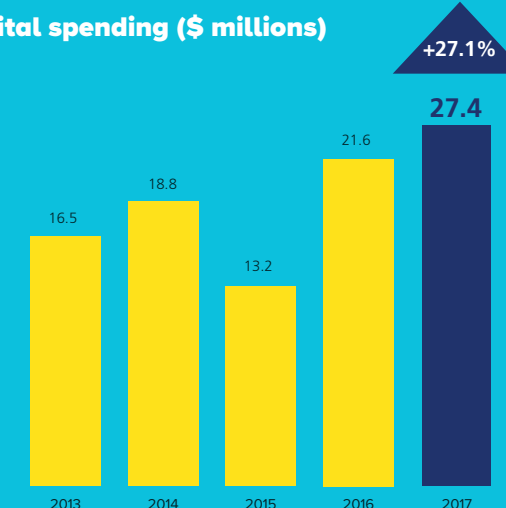
Net income (\$ millions)



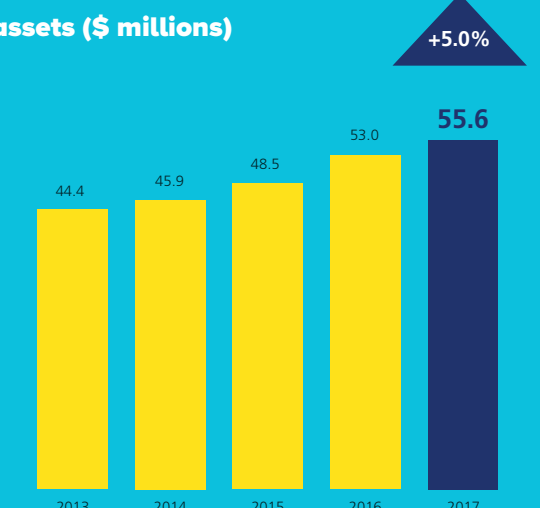
Distribution expenses (\$ millions)



Capital spending (\$ millions)



Net assets (\$ millions)



# Responsibility for financial reporting

The accompanying summary of financial statements and all information in the annual report have been prepared by management and approved by the Board of Directors of the Co-operative.

Management is responsible for the accuracy, integrity and objectivity of the summary of financial statements within reasonable limits of materiality and for the consistency of financial data included in the text of the annual report.

To assist management in the discharge of these responsibilities, the Co-operative maintains a system of internal control designed to provide reasonable assurance that its assets are safe-guarded; that only valid and authorized transactions are executed; and that accurate, timely and comprehensive financial information is prepared. The summary financial statements have been examined independently by KPMG LLP on behalf of members, in accordance with Canadian auditing standards. The auditors' report outlines the scope of their examination and expresses their opinion on the summary of financial statements of the Co-operative.

The Audit Committee of the Board of Directors meets with management and external auditors to satisfy itself that each group is properly discharging its responsibilities and to review the summary of financial statement and independent auditors' report. The Board of Directors approves the summary of financial statements for presentation to the members.



Jim Deane  
President & CEO



Carmela Haines  
Vice President, Finance and Administration

# Report of the independent auditors on the summary financial statements

To the Members of Access Communications Co-operative Limited

The accompanying summary financial statements of Access Communications Co-operative Limited, which comprise the summary balance sheet as at August 31, 2017 and the summary statements of operations and retained earnings and cash flows for the year then ended, are derived from the complete audited financial statements, prepared in accordance with Canadian accounting standards for not-for-profit organizations, of Access Communications Co-operative Limited as at and for the year ended August 31, 2017.

We expressed an unmodified audit opinion on those complete financial statements in our auditors' report dated November 29, 2017.

The summary financial statements do not contain all the requirements of Canadian accounting standards for not-for-profit organizations applied in the preparation of the complete audited financial statements of Access Communications Co-operative Limited. Reading the summary financial statements, therefore, is not a substitute for reading the complete audited financial statements of Access Communications Co-operative Limited.

## Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements.

## Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

## Opinion

In our opinion, the summary financial statements derived from the complete audited financial statements of Access Communications Co-operative Limited as at and for the year ended August 31, 2017 are a fair summary of those complete financial statements.



Chartered Professional Accountants  
November 29, 2017  
Regina, Canada

## Access Communications Co-operative limited

### Summary balance sheet

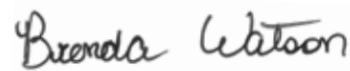
As at August 31, 2017, with comparative information for 2016

	2017	2016
<b>ASSETS</b>		
<b>CURRENT</b>		
Accounts receivable	\$ 2,241,892	\$ 2,700,490
Inventory	2,618,989	2,431,505
Prepaid expenses	1,397,201	1,253,836
	<b>6,258,082</b>	6,385,831
INVESTMENTS IN CO-OPERATIVES	30,225	30,225
PROPERTY, PLANT AND EQUIPMENT	75,693,296	66,118,240
OTHER ASSETS	4,114,429	3,913,325
SUBSCRIBER BASE	45,105,621	45,105,621
	<b>\$ 131,201,653</b>	<b>\$ 121,553,242</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Bank indebtedness	\$ 966,138	\$ 356,354
Accounts payable and accrued charges	10,643,417	11,471,638
Unearned revenue	4,950,312	4,925,389
Current portion of long term debt	-	2,500,000
	<b>16,559,867</b>	19,253,381
LONG-TERM DEBT	59,000,000	49,300,000
	<b>75,559,867</b>	68,553,381
<b>NET ASSETS</b>		
Shares	1,163	910
Retained earnings	55,640,623	52,998,951
	<b>55,641,786</b>	52,999,681
	<b>\$ 131,201,653</b>	<b>\$ 121,553,242</b>

APPROVED BY THE BOARD



**Dale Ripplinger**  
Chair, Board of Directors



**Brenda Watson**  
Chair, Audit Committee

## Access Communications Co-operative Limited

### Summary statement of income and retained earnings

Year ended August 31, 2017, with comparative information for 2016

	2017	2016
<b>REVENUE</b>		
Television services	\$ 49,271,211	\$ 52,495,770
Telecommunications services	34,102,270	31,118,271
Advertising	254,592	292,655
Investment income	85,150	83,669
	<b>83,713,223</b>	83,990,365
DIRECT DISTRIBUTION COSTS	29,320,534	29,711,856
INCOME BEFORE OTHER OPERATING EXPENSES	54,392,689	54,278,509
<b>OTHER OPERATING EXPENSES</b>		
Community programming	2,693,635	2,637,676
Technical	14,473,684	13,130,364
Sales and marketing	4,743,283	5,196,513
Administrative	10,764,101	10,899,316
	<b>32,674,703</b>	31,863,869
OPERATING INCOME BEFORE AMORTIZATION	21,717,986	22,414,640
<b>AMORTIZATION</b>		
Property, plant and equipment	14,639,806	13,738,857
Deferred charges	2,584,996	2,501,175
	<b>17,224,802</b>	16,240,032
OPERATING INCOME	4,493,184	6,174,608
INTEREST ON LONG-TERM DEBT	1,814,208	1,743,795
LOSS (GAIN) ON SALE OF EQUIPMENT	37,304	(110,263)
	<b>2,641,672</b>	4,541,076
NET INCOME	2,641,672	4,541,076
RETAINED EARNINGS, BEGINNING OF YEAR	52,998,951	48,457,875
	<b>\$ 55,640,623</b>	<b>\$ 52,998,951</b>

## Access Communications Co-operative Limited

### Summary Statement of Cash Flows

Year ended August 31, 2017, with comparative information for 2016

	2017	2016
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES</b>		
<b>OPERATING</b>		
Net income	\$ 2,641,672	\$ 4,541,076
Items not affecting cash:		
Amortization	17,224,802	16,240,032
Loss (Gain) on sale of equipment	37,304	(110,263)
Changes in working capital components:		
Accounts receivable	458,598	(579,027)
Inventory	(187,484)	(419,633)
Prepaid expenses	(143,365)	(186,587)
Accounts payable and accrued charges	(565,132)	488,993
Unearned revenue	24,923	(131,606)
	<b>19,491,318</b>	<b>19,842,985</b>
<b>INVESTING</b>		
Purchase of property, plant and equipment and business acquisition	(24,621,021)	(19,001,158)
Change in accounts payable relating to purchase of property, plant and equipment	(263,089)	1,522,293
Increase in connection costs	(2,786,100)	(2,560,553)
Redemption of investments	-	20,200
Proceeds from sale of property, plant and equipment	368,855	340,640
	<b>(27,301,355)</b>	<b>(19,678,578)</b>
<b>FINANCING</b>		
Repayments of long-term debt	(19,400,000)	(26,000,000)
Proceeds of long-term debt	26,600,000	26,200,000
Issuance of shares	253	8
	<b>7,200,253</b>	<b>200,008</b>
<b>(DECREASE) INCREASE IN CASH POSITION</b>	<b>(609,784)</b>	<b>364,415</b>
<b>BANK INDEBTEDNESS, BEGINNING OF YEAR</b>	<b>(356,354)</b>	<b>(720,769)</b>
<b>BANK INDEBTEDNESS, END OF YEAR</b>	<b>\$ (966,138)</b>	<b>\$ (356,354)</b>

# Access tomorrow.

We're a co-operative, and that means working together. Throughout the year all staff have the opportunity to share their experiences and offer suggestions for how we can do better. In this way, everyone from our front line to our executive management team and board shapes our annual business strategy. At Access, everyone has access!

It's taken a lot of hard work and co-operative effort to be approaching our 40-year milestone. Our staff, members, volunteers and customers continue to make a team that just can't be beat! Thanks to them, we're able to maintain our commitment to creating careers, reinvesting in the province and listening to our customers.

We're also committed to what is coming tomorrow, and next week, and the months and years after that — because at Access we're seriously focused on the future. We're focused on the future of every person who makes his or her home in Saskatchewan, on the future of every community within our Access family, and on the future of this province and its place in our country.

**We've been serving the people of Saskatchewan for 40 years, and we're looking forward to growing with you for many more years to come!**

## Access our leadership.



**Jim Deane**  
President & CEO



**Carmela Haines**  
Vice President,  
Finance & Administration



**Craig Van Ham**  
Vice President,  
Technology



**Carole Sauer**  
Manager,  
Human Resources



**Nicole Carter**  
Manager,  
Customer Care



**Wendy Hoffart**  
Manager,  
Regional Systems



**Ryan Howard**  
Manager,  
Marketing



**Wade Peterson**  
Manager,  
Community Programming



**Tyson Almasi**  
Manager,  
Sales



Please note: this report includes a condensed version of Access Communications' 2017 financial documents. The complete set of financial statements are available upon request.



**INTERNET | TV | PHONE | SECURITY**

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Humboldt • 645 Main Street  
La Ronge • 712 Finlayson Street  
Melfort • 620 Saskatchewan Avenue SE  
North Battleford • 1192 99th Street  
Weyburn • 120 10th Avenue SE  
Yorkton • 22 Sixth Avenue N  
Saskatoon • 826 57th St E